

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. U-73088
1b. TYPE OF WELL OIL <input type="checkbox"/> GAS <input type="checkbox"/> SINGLE <input type="checkbox"/> MULTIPLE <input type="checkbox"/> WELL <input checked="" type="checkbox"/> WELL <input type="checkbox"/> OTHER <input type="checkbox"/> ZONE <input type="checkbox"/> ZONE <input type="checkbox"/>		6. IF INDIAN, ALOTTEE OR TRIBE NAME
2. NAME OF OPERATOR Inland Production Company		7. UNIT AGREEMENT NAME
3. ADDRESS OF OPERATOR P.O. Box 790233 Vernal, UT 84079 Phone: (801) 789-1866		8. FARM OR LEASE NAME N. Monument Butte Federal
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At Surface SE/NE At proposed Prod. Zone 1980' FNL & 660' FEL		9. WELL NO. #8-27
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 10/0 Miles southwest of Myton, Utah		10. FIELD AND POOL OR WILDCAT Monument Butte
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 660'	16. NO. OF ACRES IN LEASE 1198.94	11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 27, T8S, R16E
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. 1320'	19. PROPOSED DEPTH 6500'	12. County Duchesne
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5552.0' GR		13. STATE UT
22. APPROX. DATE WORK WILL START* 3rd Quarter 1997		

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	300'	120 sx
7 7/8"	5 1/2"	15.5#	TD	400 sx followed by 330 sx
				See Detail Below

The actual cement volumes will be calculated off of the open hole logs, plus 15% excess.

SURFACE PIPE - Premium Plus Cement, w/ 2% Gel, 2% CaCl₂, 1/4# /sk FloceleWeight: 14.8 PPG YIELD: 1.37 Cu Ft/sk H₂O Req: 6.4 Gal/sk

LONG STRING - Lead: Hibond 65 Modified

Weight: 11.0 PPG YIELD: 3.00 Cu Ft/sk H₂O Req: 18.08 Gal/sk

Tail: Premium Plus Thixotropic

Weight: 14.2 PPG YIELD: 1.59 Cu Ft/sk H₂O Req: 7.88 Gal/sk

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM : If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone.

If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED  TITLE District Manager DATE 6/6/97
Brad Mechem

(This space for Federal or State office use)

PERMIT NO. 43-013-31903 APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY  TITLE Associate Director DATE 8/6/97

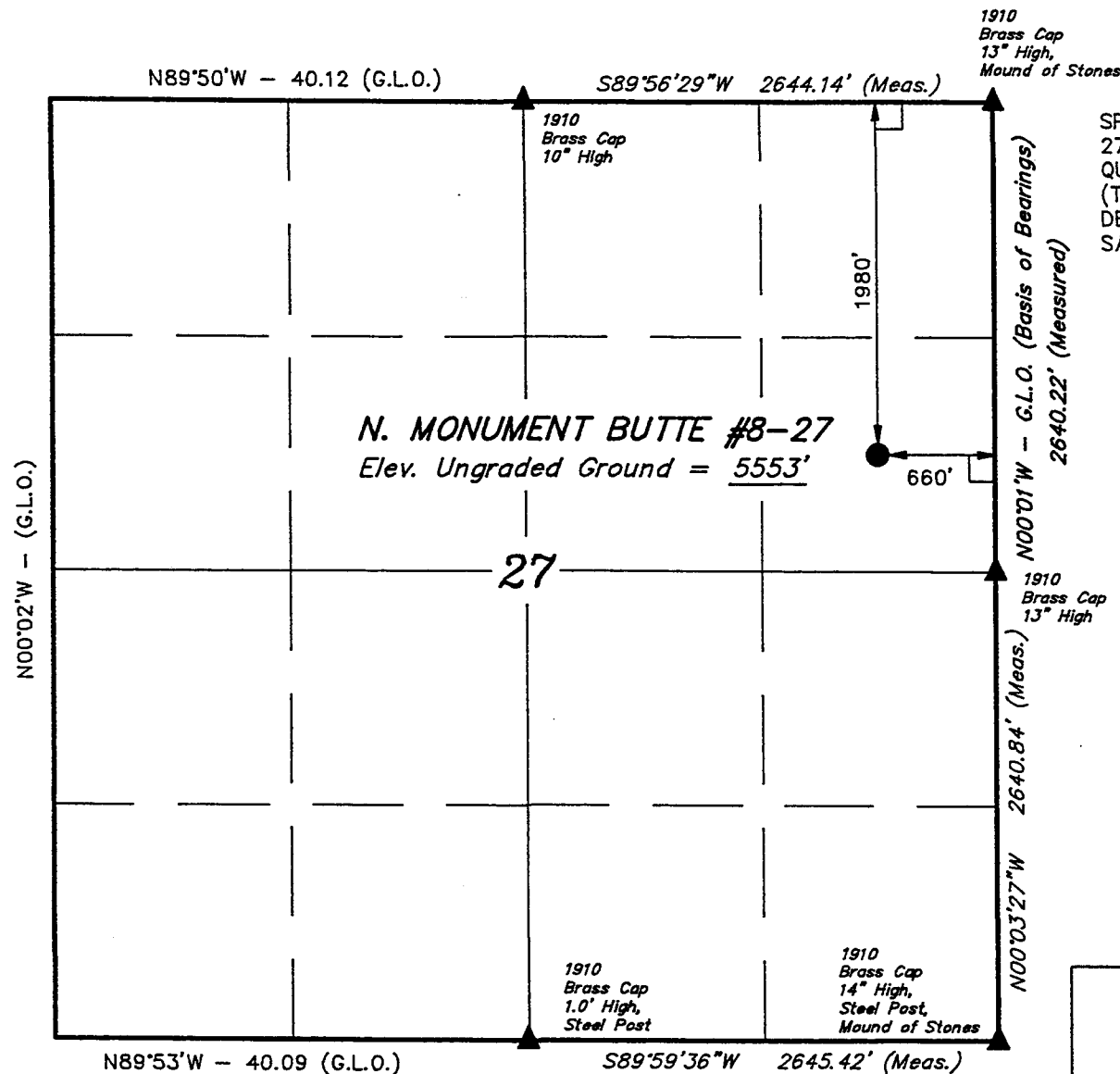
*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

T8S, R16E, S.L.B.&M.

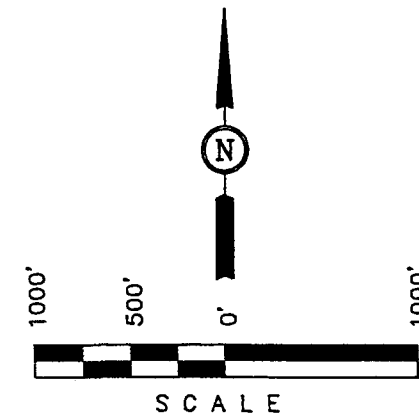
INLAND PRODUCTION CO.

Well location, N. MONUMENT BUTTE #8-27,
located as shown in the SE 1/4 NE 1/4
of Section 27, T8S, R16E, S.L.B.&M. Duchesne
County, Utah.



BASIS OF ELEVATION

SPOT ELEVATION AT THE NORTHEAST CORNER OF SECTION
27, T8S, R16E, S.L.B.&M. TAKEN FROM THE MYTON SE
QUADRANGLE, UTAH, DUCHESNE COUNTY, 7.5 MINUTE QUAD.
(TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES
DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY.
SAID ELEVATION IS MARKED AS BEING 5501 FEET.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM
FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY
SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE
BEST OF MY KNOWLEDGE AND BELIEF

Robert L. Kay
REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

LEGEND:

- = 90° SYMBOL
- = PROPOSED WELL HEAD.
- = SECTION CORNERS LOCATED.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(801) 789-1017

SCALE 1" = 1000'	DATE SURVEYED: 11-27-96	DATE DRAWN: 12-11-96
PARTY D.A. M.C. D.R.B.	REFERENCES G.L.O. PLAT	
WEATHER COLD	FILE INLAND PRODUCTION CO.	

**INLAND PRODUCTION COMPANY
N. MONUMENT BUTTE FEDERAL #8-27
SE/NE SECTION 27, T8S, R16E
DUCHESNE COUNTY, UTAH**

TEN POINT WELL PROGRAM

1. GEOLOGIC SURFACE FORMATION:

Uinta formation of Upper Eocene Age

2. ESTIMATED TOPS OF IMPORTANT GEOLOGIC MARKERS:

Uinta	0' - 3050'
Green River	3050'
Wasatch	6500'

3. ESTIMATED DEPTHS OF ANTICIPATED WATER, OIL, GAS OR MINERALS:

Green River Formation 3050' - 6500' - Oil

4. PROPOSED CASING PROGRAM

8 5/8", J-55, 24# w/ ST&C collars; set at 300' (New)
5 1/2", J-55, 15.5# w/ LT&C collars; set at TD (New)

5. MINIMUM SPECIFICATIONS FOR PRESSURE CONTROL:

The operators minimum specifications for pressure control equipment are as follows:

A 8" Series 900 Annular Bag type BOP and a 8" Double Ram Hydraulic unit with a closing unit will be utilized. Function test of BOPS's will be checked daily.

(See Exhibit F)

6. TYPE AND CHARACTERISTICS OF THE PROPOSED CIRCULATION MUDS:

The well will be drilled with fresh water through the Uinta Formation. From the top of the Green River Formation @ 3050' \pm , to TD, a fresh water/polymer system will be utilized. If necessary to control formation fluids, the system will be weighted with the addition of bentonite gel, and if conditions warrant, barite. Clay inhibition will be achieved with additions or by adding DAP (Di-Ammonium Phosphate, commonly known as fertilizer). This fresh water system will contain Total Dissolved Solids (TDS) of less than 3000 PPM. Neither potassium chloride or chromate's will be utilized in the fluid system. The anticipated mud weight is 8.4 ppg and weighted as necessary for gas control.

7. **AUXILIARY SAFETY EQUIPMENT TO BE USED:**

Auxiliary safety equipment will be a Kelly Cock, bit float, and a TIW valve with drill pipe threads.

8. **TESTING, LOGGING AND CORING PROGRAMS:**

No drill stem testing has been scheduled for this well. It is anticipated at this time that the logging will consist of a Dual Induction Laterolog, Gamma Ray/Caliber from TD to base of surface casing @ 300' \pm , and a Compensated Neutron-Formation Density Log. Logs will run from TD to 3500' \pm . The cement bond log will be run from PBTD to cement top. An automated mud logging system will be utilized while drilling to monitor and record penetration rate, and relative gas concentration, in the fluid system.

9. **ANTICIPATED ABNORMAL PRESSURE OR TEMPERATURE:**

The anticipated bottom hole pressure is 1800 psi. It is not anticipated that abnormal temperatures will be encountered; nor that any other abnormal hazards such as H₂S will be encountered in this area.

10. **ANTICIPATED STARTING DATE AND DURATION OF THE OPERATIONS:**

It is anticipated that the drilling operations will commence in third quarter of 1997, and take approximately six days to drill.

**INLAND PRODUCTION COMPANY
N. MONUMENT BUTTE FEDERAL #8-27
SE/NE SECTION 27, T8S, R16E
DUCHESNE COUNTY, UTAH**

THIRTEEN POINT WELL PROGRAM

1. EXISTING ROADS

See attached Topographic Map "A"

To reach Inland Production Company well location site N. Monument Butte Federal #8-27 located in the SE 1/4 NE 1/4 Section 27, T8S, R16E, S.L.B. & M. Duchesne County, Utah:

Proceed westerly out of Myton, Utah along Highway 40 - 1.5 miles \pm to the junction of this highway and Utah State Highway 53; proceed southerly along Utah State Highway 53 - 6.3 miles to its junction with an existing dirt road to the southwest; proceed southwesterly along this road - 2.2 miles to its junction with the proposed access road, to be discussed in Item #2.

The highways mentioned in the foregoing paragraph are bituminous surfaced roads to the point where Highway 216 exists to the South, thereafter the roads are constructed with existing materials and gravel. The highways are maintained by Utah State road crews. All other roads are maintained by County Crews.

The aforementioned dirt oil field service roads and other roads in the vicinity are constructed out of existing native materials that are prevalent to the existing area they are located in and range from clays to a sandy-clay shale material.

The roads required for access during the drilling, completion and production phase will be maintained at the standards required by the BLM or other controlling agencies. This maintenance will consist of some minor grader work for smoothing road surfaces and for snow removal.

2. PLANNED ACCESS ROAD

See Topographic Map "B".

The planned access road leaves the existing location described in Item #1 in the Sw1/4 NW 1/4 Section 26, T8S, R16E, S.L.B. & M., and proceeds in a westerly direction approximately 0.2 miles \pm , to the proposed location site.

The proposed access road will be an 18' crown road (9' either side of the centerline) with drainage ditches along either side of the proposed road whether it is determined necessary in order to handle any run-off from normal meteorological conditions that are prevalent to this area. The maximum grade will be less than 8%.

N. MONUMENT BUTTE FEDERAL #8-27

There will be no culverts required along this access road. There will be barrow ditches and turnouts as needed along this road.

There are no fences encountered along this proposed road. There will be no new gates or cattle guards required.

All construction material for this access road will be borrowed material accumulated during construction of the access road.

3. LOCATION OF EXISTING WELLS

There are fifteen (15) producing , one (1) P&A, and two (2) water injection Inland Production wells, within a one (1) mile radius of this location. See Exhibit "D".

4. LOCATION OF EXISTING AND/OR PROPOSED FACILITIES

There are no existing facilities that will be used by this well.

It is anticipated that this well will be a producing oil well.

Upon construction of a tank battery the well pad will be surrounded by a dike of sufficient capacity to contain at minimum the entire contents of the largest tank within the facility battery.

Tank batteries will be built to BLM specifications.

All permanent (on site for six (6) months or longer) structures, constructed or installed (including pumping units), will be painted Desert Tan. All facilities will be painted within six months of installation.

5. LOCATION AND TYPE OF WATER SUPPLY

Inland Production Company has purchased a 3" water connection with Johnson Water District to supply the Monument Butte, Travis, and Gilsonite oil fields. Johnson Water District has given permission to Inland Production Company to use water from this system, for the purpose of drilling and completing the Monument Butte Federal #8-27. A temporary line may be used for water transportation from our existing supply line, from Johnson Water District (See Exhibit "G"), or trucked from Inland Production Company's water supply line located at the Gilsonite State #7-32 (SW/NE Sec. 32, T8S, R17E), or the Monument Butte Federal #5-35 (SW/NW Sec. 35, T8S, R16E), or the Travis Federal #15-28 (SW/SE Sec. 28, T8S, R16E). See Exhibit "C".

There will be no water well drilled at this site.

6. SOURCE OF CONSTRUCTION MATERIALS

See Location Layout Sheet - Exhibit "E".

All construction material for this location shall be borrowed material accumulated during construction of the location site and access road.

A mineral material application is not required for this location.

7. **METHODS FOR HANDLING WASTE DISPOSAL**

See Location Layout Sheet - Exhibit "E".

A small reserve pit (80 X 40 X 8' deep, or less) will be constructed from native soil and clay materials. A water processing unit will be employed to continuously recycle the drilling fluid as it is used, returning the fluid component to the drilling rig's steel tanks. The reserve pit will primarily receive the processed drill cuttings (wet sand, shale & rock) removed from the well bore. Any drilling fluids which do accumulate in the pit as a result of shale-shaker carryover, cleaning of the sand trap, etc., will be promptly reclaimed by the water recycling unit and then returned to the steel rig tanks. All drilling fluids will be fresh water based containing DAP (Di-Ammonium Phosphate, commonly known as fertilizer), typically containing Total Dissolved Solids of less than 3000 PPM. No potassium chloride chromate's, trash, debris, nor any other substance deemed hazardous will be placed in this pit. Therefore, it is proposed that no synthetic liner be utilized in the reserve pit.

All completion fluids, frac gels, etc., will be contained in steel tanks and hauled away to approved commercial disposal, as necessary.

A portable toilet will be provided for human waste.

A trash basket will be provided for garbage (trash) and hauled away to an approved disposal site at the completion of the drilling activities.

Immediately upon first production, all produced water will be confined in storage tanks. Inland requests temporary approval to transfer the produced water to Inland's nearby waterflood, for re-injection into the waterflood reservoirs via existing approved injection wells. Within 90 days of first production, a water analysis will be submitted to the Authorized Officer, along with an application for approval of this, as a permanent disposal method.

8. **ANCILLARY FACILITIES**

There are no ancillary facilities planned for at the present time and none foreseen in the near future.

9. **WELL SITE LAYOUT**

See attached Location Layout Sheet - Exhibit "E".

The reserve pit will be located on the south between stakes 4 & 5.

There will be no flare pit on this well.

The stockpiled topsoil (first six (6) inches) will be windrowed on the north side between stakes 2 & 8.

Access to the well pad will be from the west between stakes 7 & 8.

Fencing Requirements

All pits will be fenced according to the following minimum standards:

- a) A 39 inch net wire shall be used with at least one strand of barbed wire on top of the net.
- b) The net wire shall be no more than two (2) inches above the ground. The barbed wire shall be three (3) inches above the net wire. Total height of the fence shall be at least forty-two (42) inches.
- c) Corner posts shall be cemented and/or braced in such a manner to keep tight at all times.
- d) Standard steel, wood or pipe posts shall be used between the corner braces. Maximum distance between any two posts shall be no greater than sixteen (16) feet.
- e) All wire shall be stretched, by using a stretching device, before it is attached to the corner posts.

The reserve pit fencing will be on three (3) sides during drilling operations and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

10. PLANS FOR RESTORATION OF SURFACE

a) *Producing Location*

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, equipment, debris, material, trash and junk not required for production.

The reserve pit and that portion of the location not needed for production facilities/ operations will be re contoured to the approximated natural contours. The reserve pit will be reclaimed within one hundred twenty (120) days from the date of well completion . Before any dirt work takes place, the reserve pit must have all fluids and hydrocarbons removed.

When the drilling and completion phase ends, reclamation of unused disturbed areas on the well pad/access road no longer needed for operations, such as cut slopes, and fill areas will be accomplished by grading, leveling and seeding as recommended by the Authorized Officer. The seed mixture will be per B.L.M. and stated in the conditions of approval.

b) *Dry Hole Abandoned Location*

At such time as the well is plugged and abandoned, the operator shall submit a subsequent report of abandonment and the B.L.M. will attach the appropriate surface rehabilitation conditions of approval.

11. SURFACE OWNERSHIP - Bureau Of Land Management

12. **OTHER ADDITIONAL INFORMATION**

- a) Inland Production Company is responsible for informing all persons in the area who are associated with this project that they will be subject to prosecution for knowingly disturbing historic or archaeological sites, or for collecting artifacts. If historic or archaeological materials are uncovered during construction, Inland is to immediately stop work that might further disturb such materials, and contact the Authorized Officer.
- b) Inland Production will control noxious weeds along rights-of-way for roads, pipelines, well sites, or other applicable facilities. On B.L.M. administered land it is required that a Pesticide Use Proposal shall be submitted, and given approval, prior to the application of herbicides or other possible hazardous chemicals.
- c) Drilling rigs and/or equipment used during drilling operations on this well site will not be stacked or stored on Federal Lands after the conclusion of drilling operations or at any other time without B.L.M. authorization. However, if B.L.M. authorization is obtained, it is only a temporary measure to allow time to make arrangements for permanent storage on commercial facilities.

The Archaeological Cultural Resource Survey Report is attached.

Inland Production Company requests that a pipeline ROW be granted to the N. Monument Butte Federal #8-27, from the MBFNE #5-26, (approximately 1300',) for a 3" poly fuel gas line and a 4" poly gas gathering line. Both lines will be run on surface, adjacent to road-way. A temporary line may be used from Johnson Water District to provide water for drilling and completion. See Exhibit "G".

Additional Surface Stipulations

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws and regulations. Onshore Oil and Gas Orders, the approved plan of operations, and any applicable Notice to Lessees. Inland Production is fully responsible for the actions of its subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

Hazardous Material Declaration

Inland Production Company guarantees that during the drilling and completion of the N. Monument Butte Federal #8-27 we will not use, produce, store, transport or dispose 10,000# annually of any of the hazardous chemicals contained in the Environmental Protection Agency's consolidated list of chemicals subject to reporting under Title III Superfund Amendments and Reauthorization Act (SARA) of 1986. Inland also guarantees that during the drilling and completion of the N. Monument Butte Federal #8-27, we will use, produce, store, transport or dispose less than the threshold planning quantity (T.P.Q.) of any extremely hazardous substances as defined in 40 CFR 355.

A complete copy of the approved APD, if applicable, shall be on location during the construction of the location and drilling activities.

Inland Production Company or a contractor employed by Inland Production shall contact the B.L.M. office at (801) 789-1362, 48 hours prior to construction activities.

The B.L.M. office shall be notified upon site completion prior to moving on the drilling rig.

13. LESSEE'S OR OPERATORS REPRESENTATIVE AND CERTIFICATION

Representative

Name: Brad Mecham
Address: P.O. Box 1446 Roosevelt, Utah 84066
Telephone: (801) 722-5103

Certification

Please be advised that INLAND PRODUCTION COMPANY is considered to be the operator of Well #8-27 SE/NE Section 27, Township 8S, Range 16E: Lease #U-62848 Duchesne County, Utah: and is responsible under the terms and conditions of the lease for the operations conducted upon the leased lands. Bond coverage is provided by Hartford Accident #4488944.

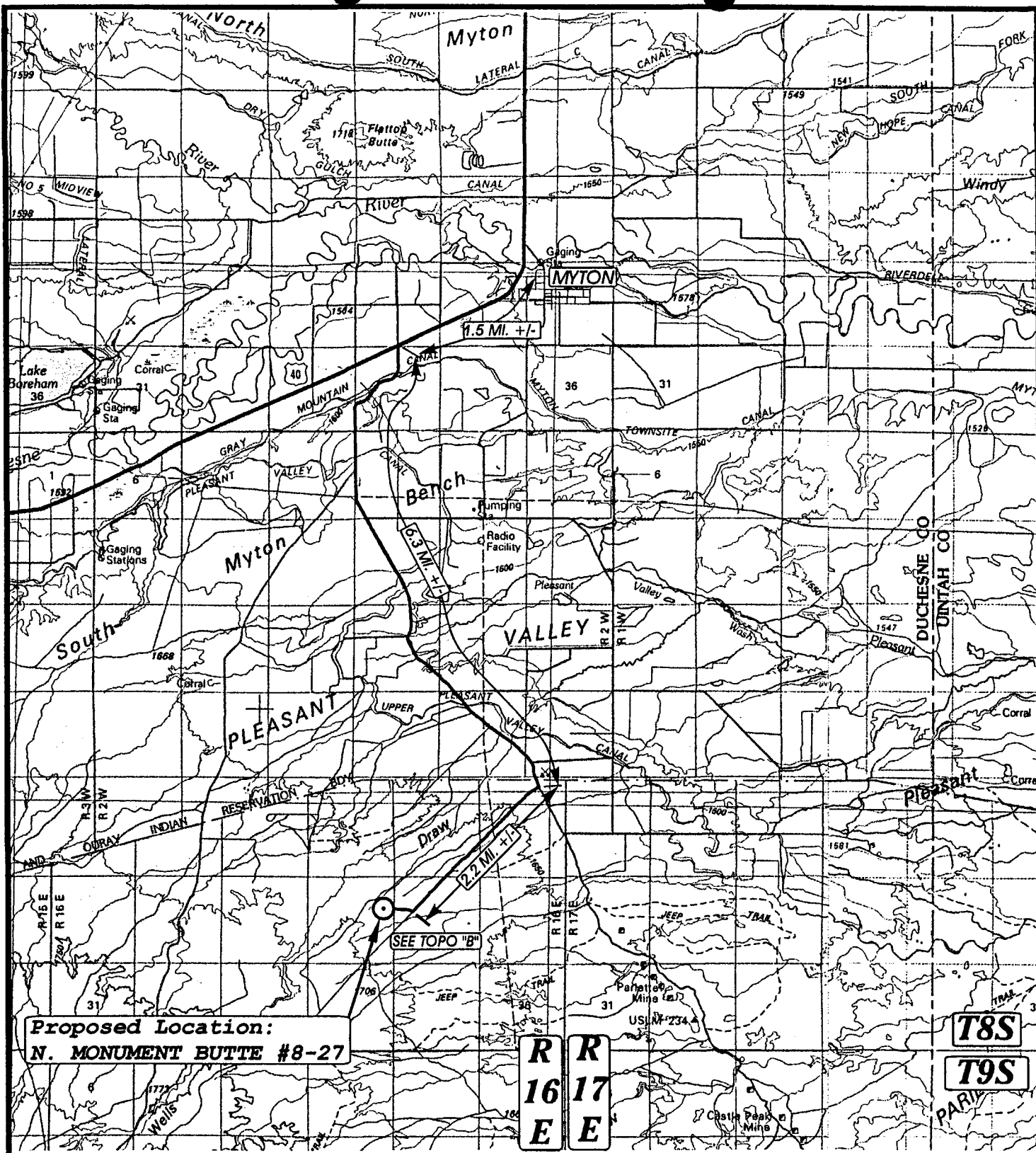
I hereby certify that I, or persons under my direct supervision have inspected the proposed drillsite and access route; that I am familiar with the conditions which currently exist; that the statements made in this plan are true and correct to the best of my knowledge; and that the work associated with the operations proposed here will be performed by Inland Production Company and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved. This statement is subject to the provisions of 18 U.S.C. 1001 for the filing of a false statement.

6-12-97

Date

Brad Mecham

Brad Mecham
District Manager



UEIS

TOPOGRAPHIC
MAP "A"

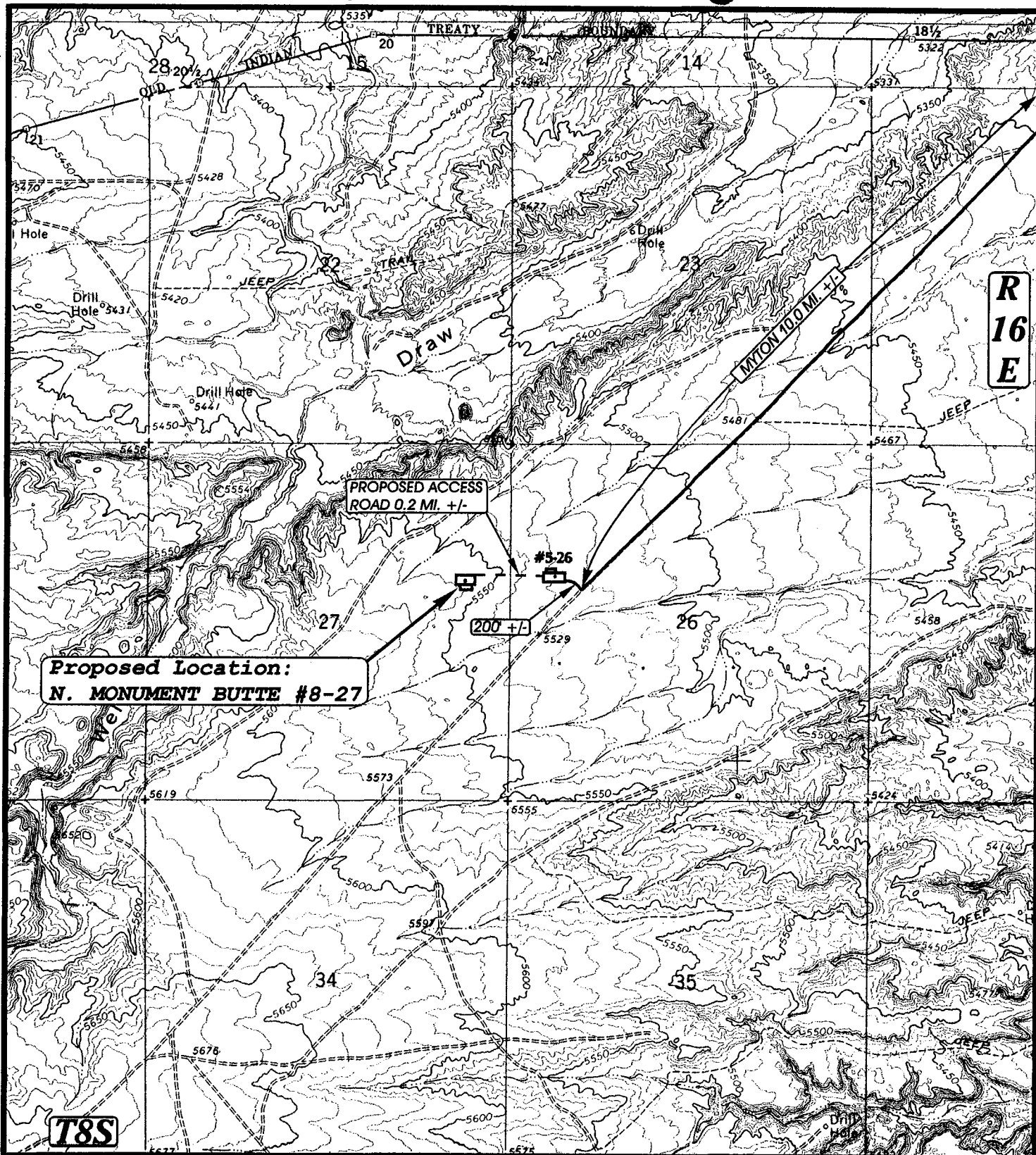
DATE: 12-16-96
Drawn by: D.COX

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017



INLAND PRODUCTION CO.

N. MONUMENT BUTTE #8-27
SECTION 27, T8S, R16E, S.L.B.&M.
1980' FNL 660' FEL



UELS

TOPOGRAPHIC
MAP "B"

DATE: 12-16-96
Drawn by: D.COX

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017



SCALE: 1" = 2000'

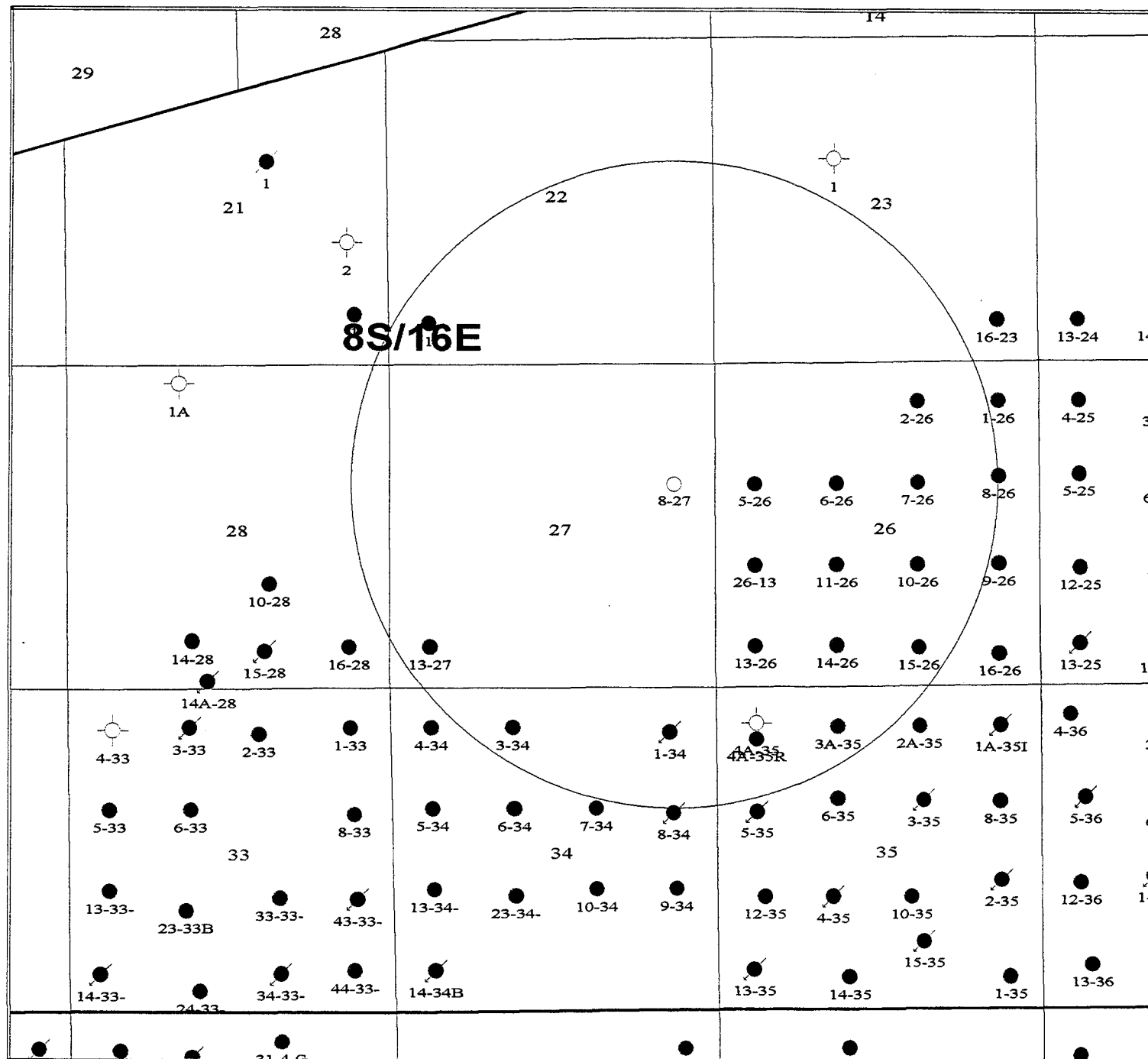
INLAND PRODUCTION CO.

N. MONUMENT BUTTE #8-27
SECTION 27, T8S, R16E, S.L.B.&M.
1980' FNL 660' FEL

[illegible]

JA.

EXHIBIT "D"



Inland
SURVEYING, INC.

475 17th Street, Suite 1500
Denver, Colorado 80202
Phone: (303) 292-0900

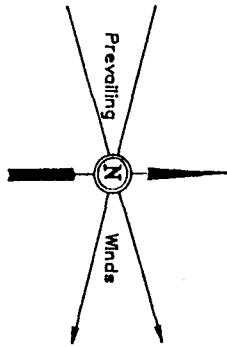
North Monument Butte #8-27
One Mile Radius
Duchesne County, Utah

Date: 6/1/97

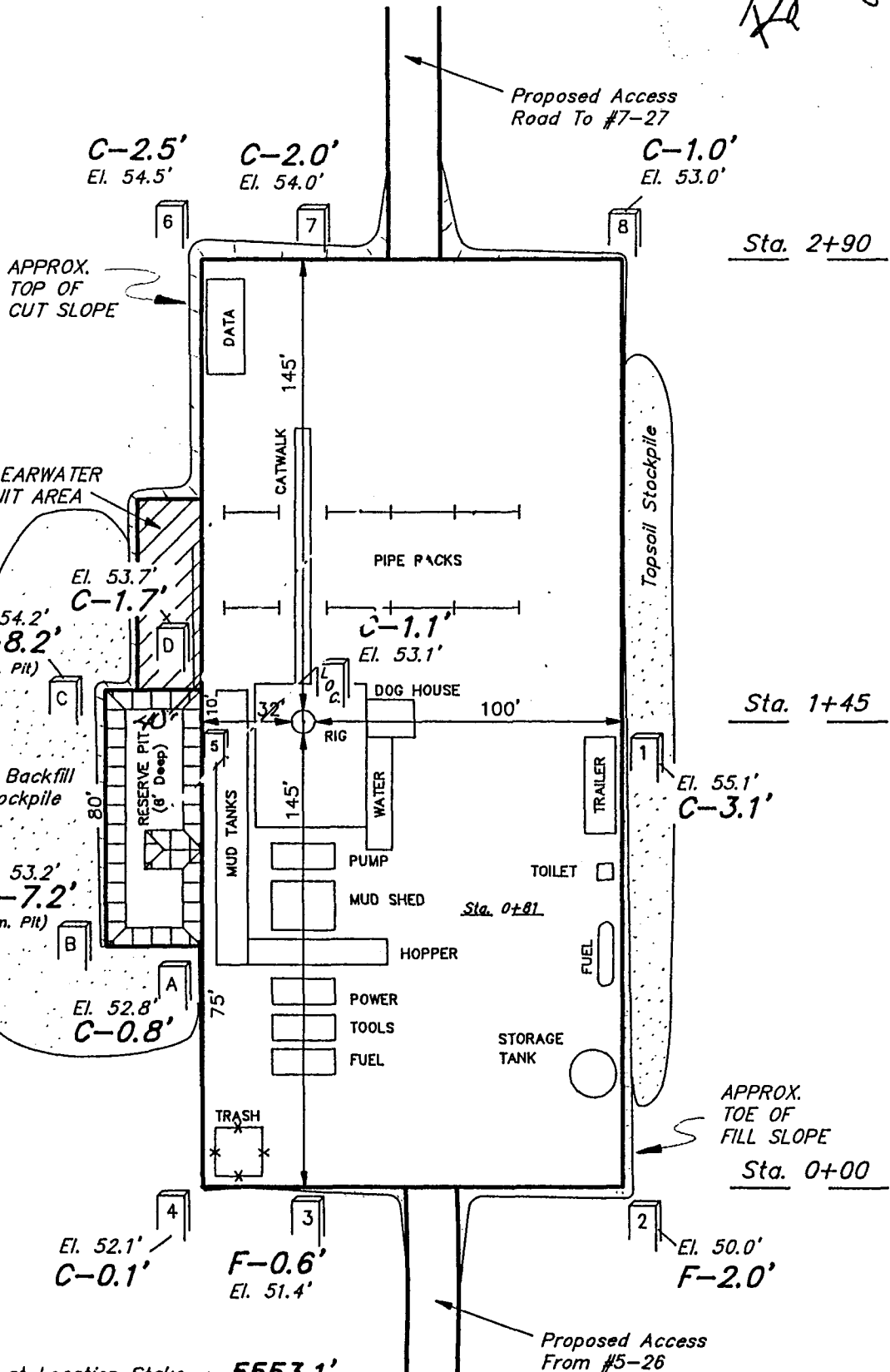
INLAND PRODUCTION CO.

LOCATION LAYOUT FOR

N. MONUMENT BUTTE #8-27
SECTION 27, T8S, R16E, S.L.B.&M.
1980' FNL 660' FEL



SCALE: 1" = 50'
DATE: 12-11-96
Drawn By: D.R.B.



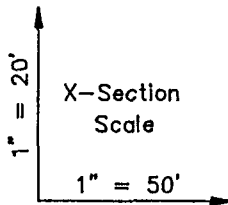
Elev. Ungraded Ground at Location Stake = 5553.1'
Elev. Graded Ground at Location Stake = 5552.0'

INLAND PRODUCTION CO.

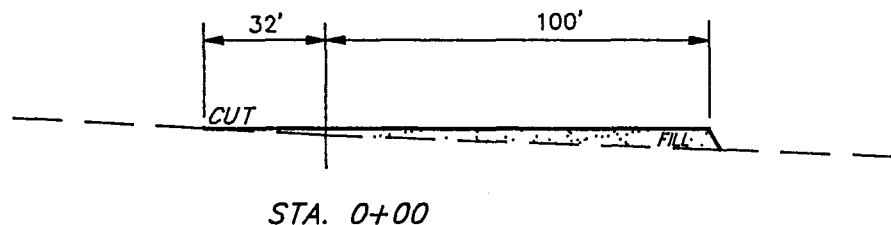
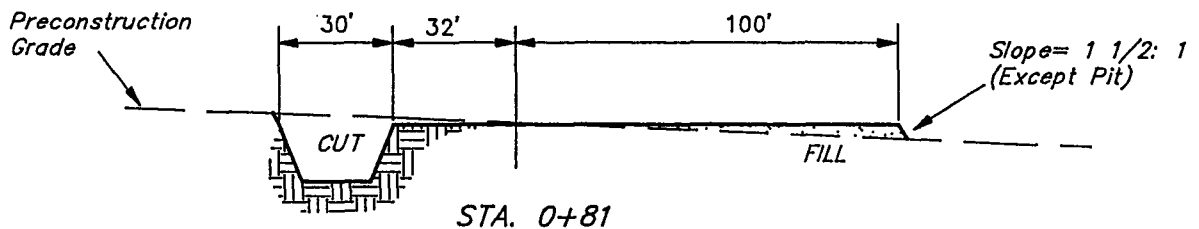
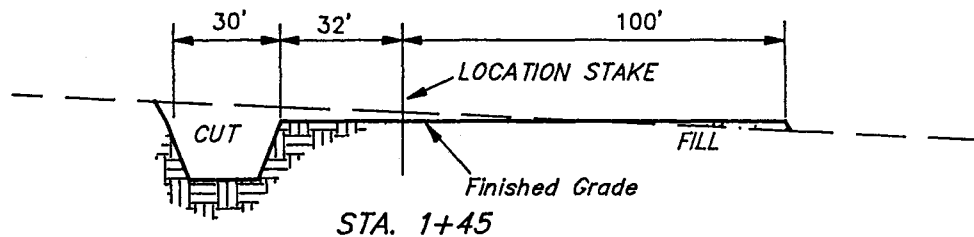
TYPICAL CROSS SECTIONS FOR

N. MONUMENT BUTTE #8-27
SECTION 27, T8S, R16E, S.L.B.&M.

1980' FNL 660' FEL



DATE: 12-11-96
Drawn By: D.R.B.



APPROXIMATE YARDAGES

CUT

(6") Topsoil Stripping = 750 Cu. Yds.

Remaining Location = 1,000 Cu. Yds.

TOTAL CUT = 1,750 CU.YDS.

FILL = 760 CU.YDS.

EXCESS MATERIAL AFTER
5% COMPACTION

= 950 Cu. Yds.

Topsoil & Pit Backfill
(1/2 Pit Vol.)

= 950 Cu. Yds.

EXCESS MATERIAL After

= 0 Cu. Yds.

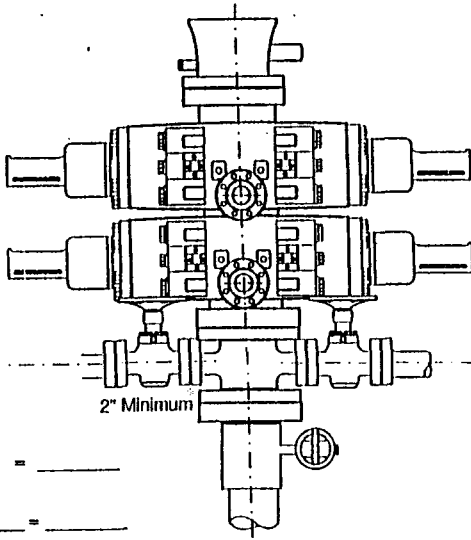
Reserve Pit is Backfilled &
Topsoil is Re-distributed

UINTAH ENGINEERING & LAND SURVEYING

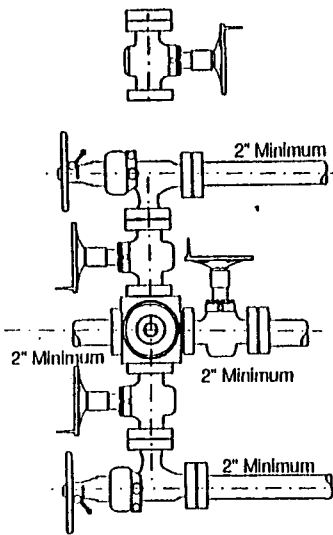
85 So. 200 East • Vernal, Utah 84078 • (801) 789-1017

RAM TYPE B.O.P.
 Make:
 Size:
 Model:

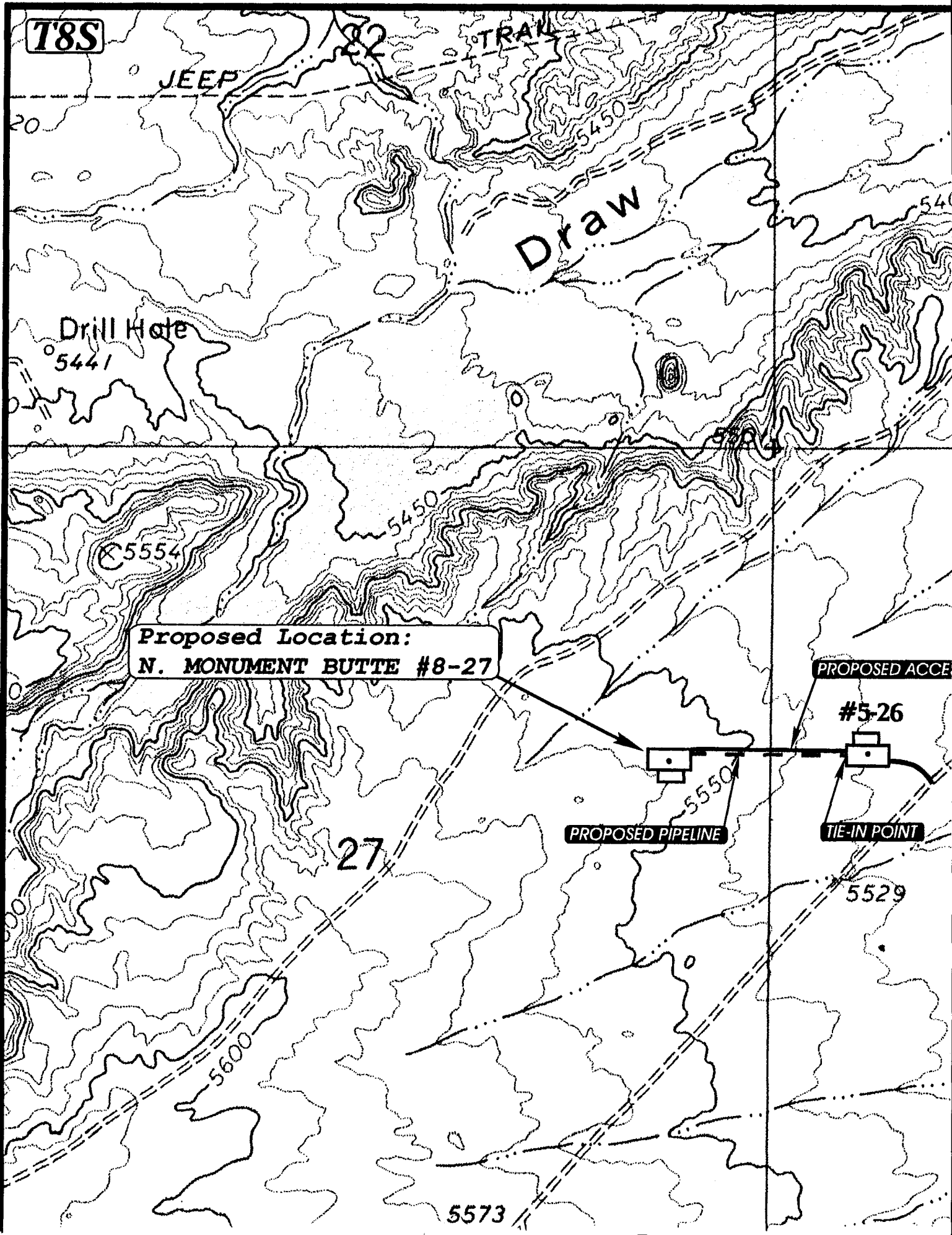
2-M SYSTEM



GAL TO CLOSE
 Annular BOP = _____
 Ramtype BOP
 _____ Rams x _____ = _____
 = _____ Gal.
 _____ x 2 = _____ Total Gal.



Rounding off to the next higher
 increment of 10 gal. would require
 _____ Gal. (total fluid & nitro volume)



WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/20/97

API NO. ASSIGNED: 43-013-31903

WELL NAME: N MONUMENT BUTTE FED 8-27
OPERATOR: INLAND PRODUCTION COMPANY (N5160)

PROPOSED LOCATION:

SENE 27 - T08S - R16E
SURFACE: 1980-FNL-0660-FEL
BOTTOM: 1980-FNL-0660-FEL
DUCHESNE COUNTY
MONUMENT BUTTE FIELD (105)

LEASE TYPE: FED
LEASE NUMBER: U - 73088

PROPOSED PRODUCING FORMATION: GRRV

INSPECT LOCATION BY: / /

TECH REVIEW	Initials	Date
Engineering		
Geology		
Surface		

RECEIVED AND/OR REVIEWED:

☒ Plat
☒ Bond: Federal ☒ State ☐ Fee ☐
(Number 4488944)
☒ Potash (Y/N)
☒ Oil shale (Y/N)
☒ Water permit
(Number GILSONITE STATE 7-3A)
☒ RDCC Review (Y/N)
(Date: _____)

LOCATION AND SITING:

___ R649-2-3. Unit: _____
☒ R649-3-2. General.
___ R649-3-3. Exception.
___ Drilling Unit.
___ Board Cause no: _____
___ Date: _____

COMMENTS: _____

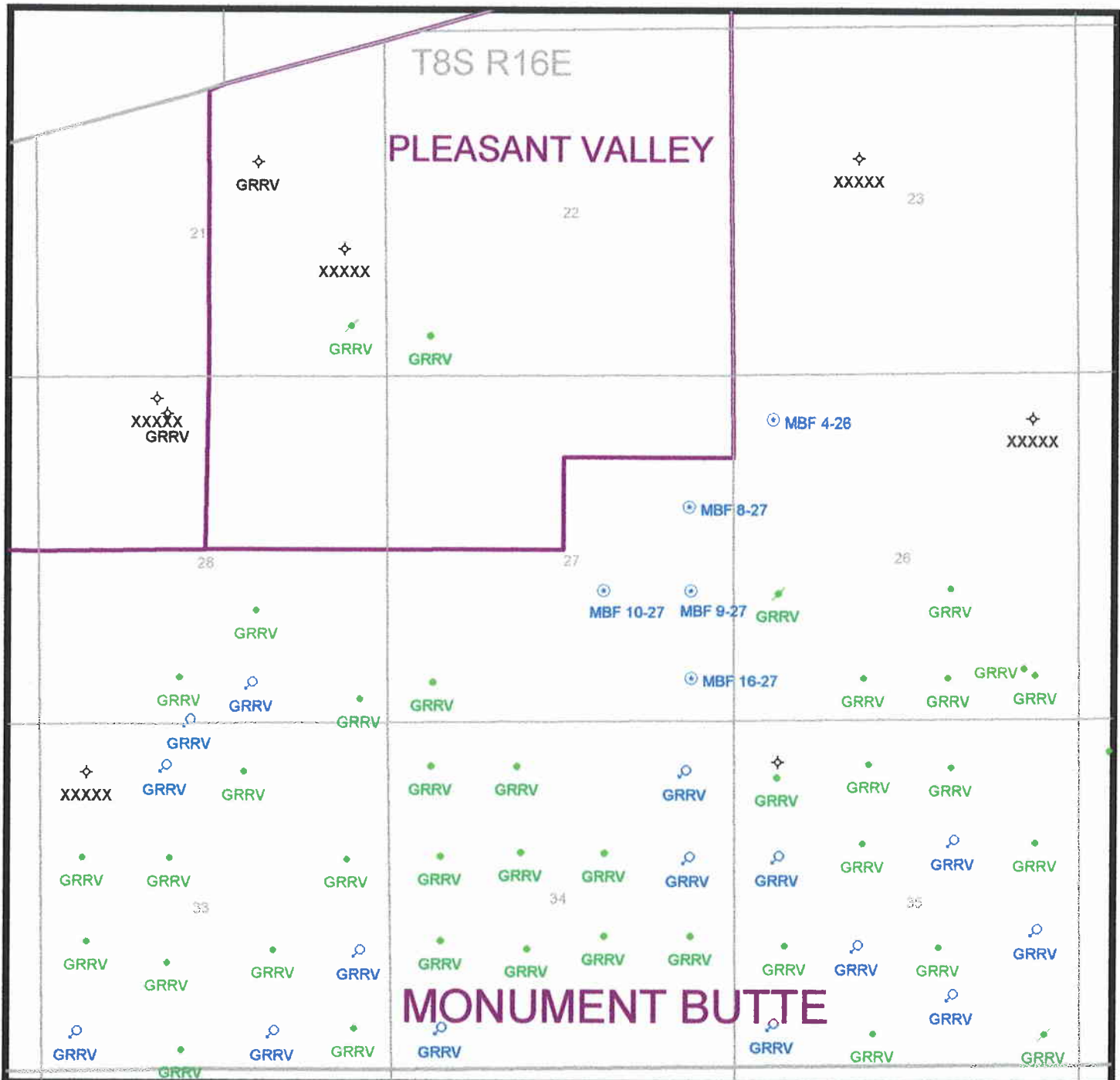
STIPULATIONS: _____

OPERATOR: INLAND PRODUCTION (N3800)

FIELD: MONUMENT BUTTE (105)

SEC, TWP, RNG: 26, & 27, T8S, R16E

COUNTY: DUCHESNE UAC: R649-3-2



PREPARED:
DATE: 23-JUNE-97

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. TYPE OF WORK DRILL <input checked="" type="checkbox"/> DEEPEN <input type="checkbox"/>		5. LEASE DESIGNATION AND SERIAL NO. U-73088	
1b. TYPE OF WELL OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>		6. IF INDIAN, ALLOTTEE OR TRIBE NAME	
2. NAME OF OPERATOR Inland Production Company		7. UNIT AGREEMENT NAME HawKeye Unit	
3. ADDRESS OF OPERATOR P.O. Box 790233 Vernal, UT 84079 Phone: (801) 789-1866		8. FARM OR LEASE NAME N. Monument Butte Federal	
4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.)* At Surface SE/NE At proposed Prod. Zone 1980' FNL & 660' FEL		9. WELL NO. #8-27	
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE* 10/0 Miles southwest of Myton, Utah		10. FIELD AND POOL OR WILDCAT Monument Butte	
15. DISTANCE FROM PROPOSED* LOCATION TO NEAREST PROPERTY OR LEASE LINE, FT. (Also to nearest drlg. unit line, if any) 660'		11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA Sec. 27, T8S, R16E	
16. NO. OF ACRES IN LEASE 1198.94		12. County Duchesne	
17. NO. OF ACRES ASSIGNED TO THIS WELL 40		13. STATE UT	
18. DISTANCE FROM PROPOSED LOCATION* TO NEAREST WELL, DRILLING, COMPLETED, OR APPLIED FOR ON THIS LEASE, FT. 1320'		20. ROTARY OR CABLE TOOLS Rotary	
21. ELEVATIONS (Show whether DF, RT, GR, etc.) 5552.0' GR		22. APPROX. DATE WORK WILL START* 3rd Quarter 1997	

23. PROPOSED CASING AND CEMENTING PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT/FOOT	SETTING DEPTH	QUANTITY OF CEMENT
12 1/4"	8 5/8"	24#	300'	120 sx
7 7/8"	5 1/2"	15.5#	TD	400 sx followed by 330 sx
				See Detail Below

The actual cement volumes will be calculated off of the open hole logs, plus 15% excess.

SURFACE PIPE - Premium Plus Cement, w/ 2% Gel, 2% CaCl₂, 1/4# /sk FloceleWeight: 14.8 PPG YIELD: 1.37 Cu Ft/sk H₂O Req: 6.4 Gal/sk

LONG STRING - Lead: Hibond 65 Modified

Weight: 11.0 PPG YIELD: 3.00 Cu Ft/sk H₂O Req: 18.08 Gal/sk

Tail: Premium Plus Thixotropic

Weight: 14.2 PPG YIELD: 1.59 Cu Ft/sk H₂O Req: 7.88 Gal/sk

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM : If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone.

If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24. SIGNED Brad Mecham TITLE District Manager DATE 6/6/97
Brad Mecham

(This space for Federal or State office use)

NOTICE OF APPROVAL

PERMIT NO. _____ APPROVAL DATE _____

Application approval does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY Thomas D. Leavengr TITLE Assistant Field Manager DATE JUL 28 1997
Mineral ResourcesCONDITIONS OF APPROVAL ATTACHED
TO OPERATOR'S COPY

*See Instructions On Reverse Side

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

CONDITIONS OF APPROVAL
APPLICATION FOR PERMIT TO DRILL

Company/Operator: Inland Production Company

Well Name & Number: N. Monument Butte Federal 8-27

API Number: 43-013-31903

Lease Number: U -73088

Location: SENE Sec. 27 T. 8S R. 16E

NOTIFICATION REQUIREMENTS

- | | | |
|---------------------------------|---|---|
| Location Construction | - | at least forty-eight (48) hours prior to construction of location and access roads. |
| Location Completion | - | prior to moving on the drilling rig. |
| Spud Notice | - | at least twenty-four (24) hours prior to spudding the well. |
| Casing String and Cementing | - | at least twenty-four (24) hours prior to running casing and cementing all casing strings. |
| BOP and Related Equipment Tests | - | at least twenty-four (24) hours prior to initiating pressure tests. |
| First Production Notice | - | within five (5) business days after new well begins, or production resumes after well has been off production for more than ninety (90) days. |

For more specific details on notification requirements, please check the Conditions of Approval for Notice to Drill and Surface Use Program.

CONDITIONS OF APPROVAL FOR NOTICE TO DRILL

Approval of this application does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.

All lease and/or unit operations will be conducted in such a manner that full compliance is made with applicable laws, regulations (43 CFR 3100), Onshore Oil and Gas Orders, and the approved plan of operations. The operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished the field representative to insure compliance.

Be aware fire restrictions may be in effect when location is being constructed and/or when well is being drilled. Contact the appropriate Surface Management Agency for information.

A. DRILLING PROGRAM

1. Estimated Depth at Which Oil, Gas, Water, or Other Mineral Bearing Zones are Expected to be Encountered

Report ALL water shows and water-bearing sands to Tim Ingwell of this office **prior to setting the next casing string or requesting plugging orders**. Faxed copies of State of Utah form OGC-8-X are acceptable. If noticeable water flows are detected, submit samples to this office along with any water analyses conducted.

All usable water and prospectively valuable minerals (as described by BLM at onsite) encountered during drilling, will be recorded by depth and adequately protected. All oil and gas shows will be tested to determine commercial potential.

2. Pressure Control Equipment

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc., for a **2M** system and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests.

Test charts, with individual test results identified, shall be maintained on location while drilling and shall be made available to a BLM representative upon request.

If an air compressor is on location and is being utilized to provide air for the drilling medium while drilling, the special drilling requirements in Onshore Oil and Gas Order No. 2, regarding air or gas drilling shall be adhered to. If a mist system is being utilized then the requirement for a deduster shall be waived.

3. Casing Program and Auxiliary Equipment

Surface casing shall have centralizers on the bottom three joints, with a minimum of one centralizer per joint.

As a minimum, the usable water shall be isolated and/or protected by having a cement top for the production casing at least 200 ft. above the base of the usable water, identified at 317 ft. or by setting surface casing to 350 ft. and having a cement for the production casing at least 200 ft above the shallowest potential productive zone. If gilsonite is encountered while drilling, it shall be isolated and/or protected via the cementing program.

4. Mud Program and Circulating Medium

Hazardous substances specifically listed by the EPA as a hazardous waste or demonstrating a characteristic of a hazardous waste will not be used in drilling, testing, or completion operations.

No chromate additives will be used in the mud system on Federal and Indian lands without prior BLM approval to ensure adequate protection of fresh water aquifers.

5. Coring, Logging and Testing Program

Daily drilling and completion progress reports shall be submitted to this office on a weekly basis.

All Drill Stem tests (DST) shall be accomplished during daylight hours, unless specific approval to start during other hours is obtained from the AO. However, DSTs may be allowed to continue at night if the test was initiated during daylight hours and the rate of flow is stabilized and if adequate lighting is available (i.e., lighting which is adequate for visibility and vaporproof for safe operations). Packers can be released, but tripping should not begin before daylight unless prior approval is obtained from the AO.

A cement bond log (CBL) will be run from the production casing shoe to the top of the cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (Form 3160-4) will be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3164. Two copies of all logs, core descriptions, core analyses, well-test data, geologic summaries, sample description, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, will be filed with Form 3160-4. Samples (cuttings, fluids, and/or gases) will be submitted when requested by the AO.

6. Notifications of Operations

No location will be constructed or moved, no well will be plugged, and no drilling or workover equipment will be removed from a well to be placed in a suspended status without prior approval of the AO. If operations are to be suspended, prior approval of the AO will be obtained and notification given before resumption of operations.

Operator shall report production data to MMS pursuant to 30 CFR 216.5 using form MMS/3160.

Immediate Report: Spills, blowouts, fires, leaks, accidents, or any other unusual occurrences shall be promptly reported in accordance with the requirements of NTL-3A or its revision.

If a replacement rig is contemplated for completion operations, a "Sundry Notice" (Form 3160-5) to that effect will be filed, for prior approval of the AO, and all conditions of this approved plan are applicable during all operations conducted with the replacement rig.

The date on which production is commenced or resumed will be construed for oil wells as the date on which liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which liquid hydrocarbons are first produced into a permanent storage facility, whichever first occurs; and, for gas wells as the date on which associated liquid hydrocarbons are first sold or shipped from a temporary storage facility, such as a test tank, and for which a run ticket is required to be generated or, the date on which gas is first measured through permanent metering facilities, whichever first occurs.

Should the well be successfully completed for production, the AO will be notified when the well is placed in a producing status. Such notification will be sent by telegram or other written communication, not later than five (5) days following the date on which the well is placed on production.

Gas produced from this well may not be vented or flared beyond an initial authorized test period of 30 days or 50 MMCF following its completion, whichever occurs first, without the prior written approval of the Authorized Officer. Should gas be vented or flared without approval beyond the authorized test period, the operator may be directed to shut-in the well until the gas can be captured or approval to continue venting or flaring as uneconomic is granted and the operator shall be required to compensate the lessor for that portion of the gas vented or flared without approval which is determined to have been avoidably lost.

A schematic facilities diagram as required by 43 CFR 3162.7-2, 3162.7-3, and 3162.7-4 shall be submitted to the appropriate District Office within thirty (30) days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with 43 CFR 3162.7-4.

No well abandonment operations will be commenced without the prior approval of the AO. In the case of newly drilled dry holes or failures, and in emergency situations, oral approval will be obtained from the AO. A "Subsequent Report of Abandonment" Form 3160-5, will be filed with the AO within thirty (30) days following completion of the well for abandonment. This report will indicate where plugs were placed and the current status of surface restoration. Final abandonment will not be approved until the surface reclamation work required by the approved APD or approved abandonment notice has been completed to the satisfaction of the AO or his representative, or the appropriate Surface Managing Agency.

7. Other Information

All loading lines will be placed inside the berm surrounding the tank battery.

All off-lease storage, off-lease measurement, or commingling onlease or off-lease will have prior written approval from the AO.

The oil and gas measurement facilities will be installed on the well location. The oil and gas meters will be calibrated in place prior to any deliveries. Tests for meter accuracy will be conducted on initial meter installations and at least quarterly thereafter. The AO will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports will be submitted to the Vernal District Office. All meter measurement facilities will conform with Onshore Oil & Gas Order No. 4 for liquid hydrocarbons and Onshore Oil & Gas Order No. 5 for natural gas measurement.

The use of materials under BLM jurisdiction will conform to 43 CFR 3610.2-3.

There will be no deviation from the proposed drilling and/or workover program without prior approval from the AO. Safe drilling and operating practices must be observed. All wells, whether drilling, producing, suspended, or abandoned will be identified in accordance with 43 CFR 3162.

"Sundry Notice and Report on Wells" (Form 3160-5) will be filed for approval for all changes of plans and other operations in accordance with 43 CFR 3162.3-2.

Well No.: N. Monument Butte Federal 8-27

Section 102(b)(3) of the Federal Oil and Gas Royalty Management Act of 1982, as implemented by the applicable provisions of the operating regulations at Title 43 CFR 3162.4-1(c), requires that "not later than the 5th business day after any well begins production on which royalty is due anywhere on a lease site or allocated to a lease site, or resumes production in the case of a well which has been off production for more than 90 days, the operator shall notify the authorized officer by letter or sundry notice, Form 3160-5, or orally to be followed by a letter or sundry notice, of the date on which such production has begun or resumed."

If you fail to comply with this requirement in the manner and time allowed, you shall be liable for a civil penalty of up to \$10,000 per violation for each day such violation continues, not to exceed a maximum of 20 days. See Section 109(c)(3) of the Federal Oil and Gas Royalty Management Act of 1982 and the implementing regulations at Title 43 CFR 3162.4-1(b)(5)(ii).

APD approval is valid for a period of one (1) year from the signature date. An extension period may be granted, if requested, prior to the expiration of the original approval period.

In the event after-hours approvals are necessary, please contact one of the following individuals:

Ed Forsman (801) 789-7077
Petroleum Engineer

Wayne P. Bankert (801) 789-4170
Petroleum Engineer

Jerry Kenczka (801) 781-1190
Petroleum Engineer

BLM FAX Machine (801) 781-4410

EPA'S LIST OF NONEXEMPT EXPLORATION AND PRODUCTION WASTES

While the following wastes are nonexempt, they are not necessarily hazardous.

Unused fracturing fluids or acids

Gas plant cooling tower cleaning wastes

Painting wastes

Oil and gas service company wastes, such as empty drums, drum rinsate, vacuum truck rinsate, sandblast media, painting wastes, spent solvents, spilled chemicals, and waste acids

Vacuum truck and drum rinsate from trucks and drums, transporting or containing nonexempt waste

Refinery wastes

Liquid and solid wastes generated by crude oil and tank bottom reclaimers

Used equipment lubrication oils

Waste compressor oil, filters, and blowdown

Used hydraulic fluids

Waste solvents

Waste in transportation pipeline-related pits

Caustic or acid cleaners

Boiler cleaning wastes

Boiler refractory bricks

Incinerator ash

Laboratory wastes

Sanitary wastes

Pesticide wastes

Radioactive tracer wastes

Drums, insulation and miscellaneous solids.

CONDITIONS OF APPROVAL
FOR THE SURFACE USE PROGRAM OF THE
APPLICATION FOR PERMIT TO DRILL

Access roads and surface disturbing activities will conform to standards outlined in the Bureau of Land Management and Forest Service publication: Surface Operating Standards for Oil and Gas Exploration and Development, (1989).

All vehicle travel will be confined to existing access road rights-of-way.

The road shall be constructed/upgraded to meet the standards of the anticipated traffic flow and all-weather road requirements. Construction/upgrading shall include ditching, draining, and crowning (2 to 3%). Graveling or capping the roadbed will be required as necessary to provide a well constructed safe road. Prior to construction/upgrading, the proposed road surface or existing road shall be cleared of any snow cover and allowed to dry completely. Traveling off the 30 foot right-of-way will not be allowed. Should mud holes develop, they shall be filled in to prevent detours. Road drainage crossings shall be of the typical dry creek drainage crossing type. Crossings shall be designed so they will not cause siltation or accumulation of debris in the drainage crossing nor shall the drainages be blocked by the roadbed. Erosion of drainage ditches by runoff water shall be prevented by diverting water off at frequent intervals by means of cutouts. Upgrading shall not be allowed during muddy conditions. When snow is removed from the road during the winter months, the snow should be pushed outside of the burrow ditches and the turn outs should be kept clear so that when the snow melts the water will be channeled away from the road.

Mountain Plover

No survey work, exploration, prospecting, or plugging and abandonment will occur from March 15 through August 15.

Motorized travel will take place only on designated routes. No cross country travel is permitted.

Road maintenance will be avoided from May 25 through July 1.

According to the timeframes listed on the following chart and prior to new construction and drilling activities, a detailed survey of the area within 0.5 mile of a proposed location and 300 feet either side of the center line of a proposed access route will be made by BLM or a qualified biologist to detect the presence of plovers. Extreme care shall be exercised to locate plovers due to their highly secretive and quiet nature. Where possible, the survey shall first be made from a stationary vehicle. All plovers located will be observed long enough to determine if a nest is present. If no visual sightings are made from the vehicle, the area will be surveyed again on foot.

Starting Date of Construction or Drilling Activity	Number of Surveys
From March 15 through April 15	1
From April 16 through July 15	2
From July 16 through August 15	1

The surveys will be conducted no more than 14 days prior to the date actual construction or drilling activities begin. If two surveys are required, they will be made at least 14 days apart with the last survey no more than 14 days prior to the start-up date.

If an active nest or chicks are found in the area, the planned activity will be delayed until the chicks are out of downy plumage; the brood vacates the area of influence; or, the nest has failed.

Grading activities and new road construction will be minimized from May 25 through June 30.

Since plovers were found in the vicinity of this well, no construction or drilling will be allowed until after August 15, 1997. If the well is not drilled between Aug. 15, 1997 and March 15, 1998, the above plover stipulations will again be required.



State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

Ted Stewart
Executive Director

James W. Carter
Division Director

1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
801-538-5340
801-359-3940 (Fax)
801-538-7223 (TDD)

August 6, 1997

Inland Production Company
P.O. Box 790233
Vernal, Utah 84079

Re: N. Monument Butte Federal 8-27 Well, 1980' FNL, 660' FEL
SE NE, Sec. 27, T. 8 S., R. 16 E., Duchesne County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann. 40-6-1 et seq., Utah Administrative Code R649-3-1 et seq., and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-013-31903.

Sincerely,

John R. Baza
Associate Director

lwp

Enclosures

cc: Duchesne County Assessor
Bureau of Land Management, Vernal District Office

Operator: Inland Production Company
Well Name & Number: N. Monument Butte Federal 8-27
API Number: 43-013-31903
Lease: U-73088
Location: SE NE Sec. 27 T. 8 S. R. 16 E.

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for Permit to Drill.

2. Notification Requirements

Notify the Division within 24 hours following spudding the well or commencing drilling operations. Contact Jimmie Thompson at (801)538-5336.

Notify the Division prior to commencing operations to plug and abandon the well. Contact John R. Baza (801)538-5334.

3. Reporting Requirements

All required reports, forms and submittals shall be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: INLAND PRODUCTION CO

Well Name: MONUMENT BUTTE FEDERAL 8-27

Api No. 43-013-31903

Section: 27 Township: 8S Range: 16E County: DUCHESNE

Drilling Contractor: _____

Rig # _____

SPUDDED:

Date: 8/26/97

Time: _____

How: DRY HOLE

Drilling will commence: _____

Reported by: FAX

Telephone NO.: _____

Date: 9/8/97 Signed: JLT

✓

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

FORM APPROVED

Budgeted Bureau No. 1004-0135

Expires March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas well ☐ Other

2. Name of Operator

Inland Production Company

3. Address and Telephone No.

P.O. Box 790233 Vernal, UT 84079 Phone No. (801) 789-1866

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**NE/SE
Sec. 27, T8S, R16E**

5. Lease Designation and Serial No.

U-73088

6. If Indian, Allottee or Tribe Name

7. If unit or CA, Agreement Designation

Hawkeye Unit

8. Well Name and No.

Mon Butte Fed #8-27

9. API Well No.

43-013-31903

10. Field and Pool, or Exploratory Area

Monument Butte

11. County or Parish, State

Duchesne, UT

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
- ☒ Subsequent Report
- ☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
- ☐ Recompletion
- ☐ Plugging Back
- ☐ Casing repair
- ☐ Altering Casing
- ☒ Other **Surface Spud**
- ☐ Change of Plans
- ☐ New Construction
- ☐ Non-Routine Fracturing
- ☐ Water Shut-off
- ☐ Conversion to Injection
- ☐ Dispose Water

(Note: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

**Drilled 12 1/4" hole w/ Leon Ross Rathole Rig to 307'. Set 8 5/8" 24# J-55 csg @ 302'.
Pump 20 BDW & 10 BG. Cmt w/ 120 sx Prem + w/ 2% CC, 2% gel + 1/4#/sk flocele, 14.8 ppg,
1.37 cf/sk yield, & 50 sx Prem +, 15.6 ppg, 1.18 cf/sk yield. Partial returns w/ 2 BC to surface.**

SPUD surface hole w/ Leon Ross Rathole Rig @ 12:30 pm 8/26/97.

14. I hereby certify that the foregoing is true and correct

Signed

Cheryl Cameron

Title

Regulatory Compliance SpecialistDate **9/10/97**

(This space of Federal or State office use.)

Approved by

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly to make to any department of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

***See Instruction on Reverse Side**

STATE OF OREGON
DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM - FORM 6

OPERATOR Island Production Company

OPERATOR ACCT. NO. 11 5160

ADDRESS P O Box 790233

Phone: MT 84079

ACTION CODE	EXISTING ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION				COUNTY	SPUD DATE	EFFECTIVE DATE
					00	SE	TP	RG			
A	99999	12212	43-013-31871	Tar Sands Federal #16-29	SESE	29	8S	17E	Duchesne	8/7/97	8/7/97
WELL 1 COMMENTS: Spud surface hole w/ Rotary Rig, Union #7 @ 4:30 pm 8/7/97.											
A	99999	12213	43-013-31905	Monument Butte Federal 10-27	NWSE	27	8S	16E	Duchesne	9/2/97	9/2/97
WELL 2 COMMENTS: Spud surface hole w/ Leon Ross Rathole Rig @ 1:30 pm 9/2/97.											
A	99999	12214	43-013-31904	Monument Butte Federal 9-27	NESE	27	8S	16E	Duchesne	8/22/97	8/22/97
WELL 3 COMMENTS: Spud surface hole w/ Leon Ross Rathole Rig @ 6:00 pm 8/22/97.											
A	99999	12215	43-013-31903	Monument Butte Federal 8-27	NESE	27	8S	16E	Duchesne	8/26/97	8/26/97
WELL 4 COMMENTS: Spud surface hole w/ Leon Ross Rathole Rig @ 12:30 pm 8/26/97.											
WELL 5 COMMENTS:											

ACTION CODES (See Instructions on back of form)

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (explain in comments section)

NOTE: Use COMMENT section to explain why each Action Code was selected.

Signature Cheryl Cameron

RCS

9/9/97

Title

Date

Phone No. (801) 789-1866

Facsimile Cover Sheet

To: Lisha Cordova
Company: State of Utah
Phone: (801) 538-5296
Fax: (801) 359-3940

From: Cheryl Cameron
Company: Inland Production Company
Phone: (801) 789-1866
Fax: (801) 789-1877

Date: 9/9/97

**Pages including this
cover page:** 2

Comments: Entity Action Form for Tar Sands Federal #16-29,
Monument Butte Federal 8-27, 9-27 and the 10-27.

(June 1990)

**UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT**

FORM APPROVED

Budgeted Bureau No. 1004-0135

Expires March 31, 1993

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or deepen or reentry to a different reservoir.
Use "APPLICATION FOR PERMIT -" for such proposals

SUBMIT IN TRIPLICATE

1. Type of Well

☒ Oil Well ☐ Gas well ☐ Other

2. Name of Operator

Inland Production Company

3. Address and Telephone No.

P.O. Box 790233 Vernal, UT 84079 Phone No. (801) 789-1866

4. Location of Well (Footage, Sec., T., R., M., or Survey Description)

**NE/SE
Sec. 27, T8S, R16E**

5. Lease Designation and Serial No.

U-73088

6. If Indian, Allottee or Tribe Name

7. If unit or CA, Agreement Designation

Hawkeye Unit

8. Well Name and No.

Mon Butte Fed #8-27

9. API Well No.

43-013-31903

10. Field and Pool, or Exploratory Area

Monument Butte

11. County or Parish, State

Duchesne, UT

12. CHECK APPROPRIATE BOX(s) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION

- ☐ Notice of Intent
- ☒ Subsequent Report
- ☐ Final Abandonment Notice

TYPE OF ACTION

- ☐ Abandonment
- ☐ Recompletion
- ☐ Plugging Back
- ☐ Casing repair
- ☐ Altering Casing
- ☒ Other P&A
- ☐ Change of Plans
- ☐ New Construction
- ☐ Non-Routine Fracturing
- ☐ Water Shut-off
- ☐ Conversion to Injection
- ☐ Dispose Water

(Note: Report results of multiple completion on Well
Completion or Recompletion Report and Log form.)

13. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work)

Drilled 7 7/8" hole from 307' - 6250' w/ Four Corners, Rig #6.**PLUGGED ON 9/8/97****Plug #1: Set plug @ 5102' w/ 105 sx Prem + w/ 2% CC mixed @ 15.6 ppg, 1.18 cf/sk yield. Tag plug @ 4850'.****Plug #2: Set plug @ 2706'-2506' w/ 105 sx Prem + w/ 2% CC mixed @ 15.6 ppg, 1.18 cf/sk yield.****Plug #3: Set plug @ 1270'-1070' w/ 115 sx Prem + w/ 2% CC mixed @ 15.6 ppg, 1.18 cf/sk yield.****Plug #4: Set plug @ 370' w/ 225 sx Prem + mixed @ 15.6 ppg, 1.18 cf/sk yield. Tag @ 431'.****Re-pump @ 370' - surface w/ 100 sx Thixo & 12% CalSeal, 3% CC mixed @ 14.6 ppg, 1.54 cf/sk yield. Cmt level @ 80' from surface.****Dry hole marker will be installed & location to be reclaimed when weather conditions permit, to BLM specifications.**

14. I hereby certify that the foregoing is true and correct

Signed

Cheryl Cameron

Title

Regulatory Compliance Specialist

Date

9/10/97

(This space of Federal or State office use.)

Approved by

Title

Date

Conditions of approval, if any:

Title 18 U.S.C. Section 1001, makes it a crime for any person knowingly to make to any department of the United States any false, fictitious or fraudulent statements or representations as

to any matter within its jurisdiction.

***See Instruction on Reverse Side**

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

SUBMIT IN DUPLICATE*

(See other In-
structions on
reverse side)

Form approved.
Budget Bureau No. 1004-0137
Expires August 31, 1985

WELL COMPLETION OR RECOMPLETION REPORT AND LOG *

5. LEASE DESIGNATION AND SERIAL NO.
U-73088

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

7. UNIT AGREEMENT NAME
Hawkeye

8. FARM OR LEASE NAME
NMBF

9. WELL NO.
#8-27

10. FIELD AND POOL, OR WILDCAT

Monument Butte

11. SEC. T. R., N., OR BLOCK AND SURVEY
OR AREA

Sec. 27, T8S R16E

12. COUNTY OR
PARISH
Duchesne

13. STATE
UT

1a. TYPE OF WELL: OIL WELL ☐ GAS WELL ☐ DRY ☒ Other P&A

b. TYPE OF COMPLETION:

NEW WELL ☒ WORK OVER ☐ DEEP-EN ☐ PLUG BACK ☐ DIFF. RESVR. ☐ Other

2. NAME OF OPERATOR
Inland Production Company

3. ADDRESS OF OPERATOR
P.O. Box 790233 Vernal, UT 84079 (801) 789-1866

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements)*

At surface SE/NE

1980' FNL & 660' FEL

At top prod. interval reported below

At total depth

14. PERMIT NO.

43-013-31903

DATE ISSUED

7/28/97

15. DATE SPUDDED

8/26/97

16. DATE T.D. REACHED

9/7/97

17. DATE COMPL. (Ready to prod.)

N/A

18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*

5552.0'

19. ELEV. CASINGHEAD

20. TOTAL DEPTH, MD & TVD

6250'

21. PLUG, BACK T.D., MD & TVD

N/A

22. IF MULTIPLE COMPL.,
HOW MANY*

23. INTERVALS
DRILLED BY

ROTARY TOOLS

X

CABLE TOOLS

24. PRODUCING INTERVAL(S). OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*

Plugged & Abandoned

25. WAS DIRECTIONAL
SURVEY MADE

No

26. TYPE ELECTRIC AND OTHER LOGS RUN

HRI, DSN

10-20-97

27. WAS WELL CORED

No

28. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
8 5/8	24#	302'	12 1/4	120 sx Prem Plus	

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)

30. TUBING RECORD

31. PERFORATION RECORD (Interval, size and number)

Plugged & Abandoned

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED

33.* PRODUCTION

DATE FIRST PRODUCTION

P&A 9/8/97

PRODUCTION METHOD (Flowing, gas lift, pumping—size and type of pump)

Plugged & Abandoned

WELL STATUS (Producing or
shut-in) P&A

DATE OF TEST

HOURS TESTED

CHOKE SIZE

PROD'N. FOR
TEST PERIOD

OIL—BBL.

GAS—MCF.

WATER—BBL.

GAS-OIL RATIO

FLOW. TUBING PRESS.

CASING PRESSURE

CALCULATED
24-HOUR RATE

OIL—BBL.

GAS—MCF.

WATER—BBL.

OIL GRAVITY-API (CORR.)

34. DISPOSITION OF GAS (Sold, used for fuel, vented, etc.)

TEST WITNESSED BY

35. LIST OF ATTACHMENTS

Logs in Item #26

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED

Cheryl Cameron

TITLE

Regulatory

Compliance Specialist

DATE 10/16/97

*(See Instructions and Spaces for Additional Data on Reverse Side)

37. SUMMARY OF POROUS ZONES: (Show all important zones of porosity and contents thereof; cored intervals; and all drill-stem, tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures, and recoveries):

38. GEOLOGIC MARKERS

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.	NAME	TOP	
					MEAS. DEPTH	TRUE VERT. DEPTH
Garden Gulch Mkr Point 3 Mkr X Mkr Y Mkr Douglas Ck Mkr BiCarbonate Mkr B Limestone Mkr Castle Peak	4416' 4692' 4943' 4973' 5101' 5354' 5493' 6112'		<p>Plugging Procedure:</p> <p>Plug #1: Set plug @ 5102' w/ 105 sx prem + w/ 2% CC mixed @ 15.6 ppg, 1.18 cf/sk yield. Tag plug @ 4850'.</p> <p>Plug #2: Set plug @ 2706'-2506' w/ 105 sx Prem + w/ 2% CC mixed @ 15.6 ppg, 1.18 cf/sk yield.</p> <p>Plug #3: Set plug @ 1270' - 1070' w/ 115 sx Prem + w/ 2% CC mixed @ 15.6 ppg, 1.18 cf/sk yield.</p> <p>Plug #4: Set plug @ 370' w/ 225 sx Prem + mixed @ 15.6 ppg, 1.18 cf/sk yield. Tag @ 431'. Re-pump @ 370' - surf w/ 100 sx Thixo & 12% CalSeal, 3% CC mixed @ 14.6 ppg, 1.54 cf/sk yield. Cmt level @ 80' from surface.</p> <p>Dry hole mkr installed & location to be reclaimed by the end of the 4th quarter, to BLM specifications.</p>			



United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Vernal District Office
170 South 500 East
Vernal, Utah 84078-2799

Phone: (801) 781-4400
Fax: (801) 781-4410

IN REPLY REFER TO:

3162.34
UT08438

August 2, 1999

Inland Production Company
410 17th Street, Suite 700
Denver, Colorado 80202

RE: ~~Monument Butte Fed #8-27~~
Hawkeye Unit
SENE, Sec.27, T8S, R16E
API #43-013-31903
Duchesne County, Utah
Lease No. U-73088

Dear Sir:

The above referenced well was ~~plugged and abandoned~~ September 8, 1997.

Field reviews and examinations were conducted by personnel from this office October 16, 1997, and July 28, 1999. It was determined on July 28, 1999 that the surface rehabilitation has been satisfactorily completed.

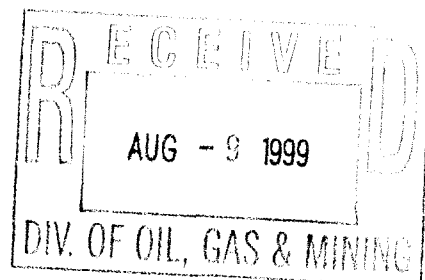
Final abandonment of the well and well site has been approved.

If you have any questions concerning this matter, please contact Stan Olmstead at (435)781-4468.

Sincerely,

Howard Cleavinger
Assistant District
Manager for Minerals

cc: Inland
Route #3, Box 3630
Myton, Utah 84052





United States Department of the Interior

BUREAU OF LAND MANAGEMENT

Utah State Office
P.O. Box 45155
Salt Lake City, UT 84145-0155
<http://www.blm.gov>



IN REPLY REFER TO:
3106
(UT-924)

September 16, 2004

Memorandum

To: Vernal Field Office

From: Acting Chief, Branch of Fluid Minerals

Subject: Merger Approval

Attached is an approved copy of the name change recognized by the Utah State Office. We have updated our records to reflect the merger from Inland Production Company into Newfield Production Company on September 2, 2004.

Michael Coulthard
Acting Chief, Branch of
Fluid Minerals

Enclosure

1. State of Texas Certificate of Registration

cc: MMS, Reference Data Branch, James Sykes, PO Box 25165, Denver CO 80225
State of Utah, DOGM, Attn: Earlene Russell, PO Box 145801, SLC UT 84114
Teresa Thompson
Joe Incardine
Connie Seare

UTSL-	15855	61052	73088	76561	
071572A	16535	62848	73089	76787	
065914	16539	63073B	73520A	76808	
	16544	63073D	74108	76813	
	17036	63073E	74805	76954	63073X
	17424	63073O	74806	76956	63098A
	18048	64917	74807	77233	68528A
UTU-	18399	64379	74808	77234	72086A
	19267	64380	74389	77235	72613A
02458	26026A	64381	74390	77337	73520X
03563	30096	64805	74391	77338	74477X
03563A	30103	64806	74392	77339	75023X
04493	31260	64917	74393	77357	76189X
05843	33992	65207	74398	77359	76331X
07978	34173	65210	74399	77365	76788X
09803	34346	65635	74400	77369	77098X
017439B	36442	65967	74404	77370	77107X
017985	36846	65969	74405	77546	77236X
017991	38411	65970	74406	77553	77376X
017992	38428	66184	74411	77554	78560X
018073	38429	66185	74805	78022	79485X
019222	38431	66191	74806	79013	79641X
020252	39713	67168	74826	79014	80207X
020252A	39714	67170	74827	79015	81307X
020254	40026	67208	74835	79016	
020255	40652	67549	74868	79017	
020309D	40894	67586	74869	79831	
022684A	41377	67845	74870	79832	
027345	44210	68105	74872	79833	
034217A	44426	68548	74970	79831	
035521	44430	68618	75036	79834	
035521A	45431	69060	75037	80450	
038797	47171	69061	75038	80915	
058149	49092	69744	75039	81000	
063597A	49430	70821	75075		
075174	49950	72103	75078		
096547	50376	72104	75089		
096550	50385	72105	75090		
	50376	72106	75234		
	50750	72107	75238		
10760	51081	72108	76239		
11385	52013	73086	76240		
13905	52018	73087	76241		
15392	58546	73807	76560		



Office of the Secretary of State

The undersigned, as Secretary of State of Texas, does hereby certify that the attached is a true and correct copy of each document on file in this office as described below:

Newfield Production Company
Filing Number: 41530400

Articles of Amendment

September 02, 2004

In testimony whereof, I have hereunto signed my name officially and caused to be impressed hereon the Seal of State at my office in Austin, Texas on September 10, 2004.



A handwritten signature in black ink, appearing to read "G. Connor".

Secretary of State

ARTICLES OF AMENDMENT
TO THE
ARTICLES OF INCORPORATION
OF
INLAND PRODUCTION COMPANY

FILED
In the Office of the
Secretary of State of Texas
SEP 02 2004
Corporations Section

Pursuant to the provisions of Article 4.04 of the Texas Business Corporation Act (the "TBCA"), the undersigned corporation adopts the following articles of amendment to the articles of incorporation:

ARTICLE 1 – Name

The name of the corporation is Inland Production Company.

ARTICLE 2 – Amended Name

The following amendment to the Articles of Incorporation was approved by the Board of Directors and adopted by the shareholders of the corporation on August 27, 2004.

The amendment alters or changes Article One of the Articles of Incorporation to change the name of the corporation so that, as amended, Article One shall read in its entirety as follows:

"ARTICLE ONE – The name of the corporation is Newfield Production Company."

ARTICLE 3 – Effective Date of Filing

This document will become effective upon filing.

The holder of all of the shares outstanding and entitled to vote on said amendment has signed a consent in writing pursuant to Article 9.10 of the TBCA, adopting said amendment, and any written notice required has been given.

IN WITNESS WHEREOF, the undersigned corporation has executed these Articles of Amendment as of the 1st day of September, 2004.

INLAND RESOURCES INC.

By: Susan G. Riggs
Susan G. Riggs, Treasurer

3. FILE

Designation of Agent/Operator

Merger

9/1/2004

TO: (New Operator):
N2695-Newfield Production Company
 Route 3 Box 3630
 Myton, UT 84052
Phone: 1-(435) 646-3721

Unit:

[illegible]

Newfield 5 FORM 4B.xls 4/19/2005 13

6a. (R649-9-2)Waste Management Plan has been received on: IN PLACE
6b. Inspections of LA PA state/fee well sites complete on: waived

7. **Federal and Indian Lease Wells:** The BLM and or the BIA has approved the merger, name change, or operator change for all wells listed on Federal or Indian leases on: BLM BIA

8. **Federal and Indian Units:**
The BLM or BIA has approved the successor of unit operator for wells listed on: n/a

9. **Federal and Indian Communization Agreements ("CA"):**
The BLM or BIA has approved the operator for all wells listed within a CA on: na/

10. **Underground Injection Control ("UIC")** The Division has approved UIC Form 5, **Transfer of Authority to Inject**, for the enhanced/secondary recovery unit/project for the water disposal well(s) listed on: 2/23/2005

DATA ENTRY:

1. Changes entered in the **Oil and Gas Database** on: 2/28/2005
2. Changes have been entered on the **Monthly Operator Change Spread Sheet** on: 2/28/2005
3. Bond information entered in RBDMS on: 2/28/2005
4. Fee/State wells attached to bond in RBDMS on: 2/28/2005
5. Injection Projects to new operator in RBDMS on: 2/28/2005
6. Receipt of Acceptance of Drilling Procedures for APD/New on: waived

FEDERAL WELL(S) BOND VERIFICATION:

1. Federal well(s) covered by Bond Number: UT 0056

INDIAN WELL(S) BOND VERIFICATION:

1. Indian well(s) covered by Bond Number: 61BSBDH2912

FEE & STATE WELL(S) BOND VERIFICATION:

1. (R649-3-1) The **NEW** operator of any fee well(s) listed covered by Bond Number 61BSBDH2919
2. The **FORMER** operator has requested a release of liability from their bond on: n/a*
The Division sent response by letter on: n/a

LEASE INTEREST OWNER NOTIFICATION:

3. (R649-2-10) The **FORMER** operator of the fee wells has been contacted and informed by a letter from the Division of their responsibility to notify all interest owners of this change on: n/a

COMMENTS:

*Bond rider changed operator name from Inland Production Company to Newfield Production Company - received 2/23/05